

COINS

In view of high copper cost, zinc may make cents

By Roger Boye

The "bronze penny" may soon become a relic of the past.

Several government officials have proposed that Lincoln cents be made out of zinc coated with a microscopic layer of copper, rather than the alloy used today (95 per cent copper, 5 per cent zinc). The first "zinc cents" could be in circulation as early as next October.

The new coins would look just like the Lincoln cents made today in both design and color, thanks to the thin copper plating. But if someone scratched the copper "cover" with a knife, the silver-colored zinc would appear brightly.

Experts predict the Reagan administration will enthusiastically support the proposed change because zinc cents would be much cheaper to make. At present, the government spends about 17 cents to make 100 Lincoln cents, each with the 95 per cent copper composition.

The new coins would contain more than 99 per cent zinc and less than 1 per cent copper. They would be less expensive because zinc is only half as costly as copper, and zinc is not subject to as many speculative price changes as copper.

For example, in 1974 and again last year, the price of copper on commodity exchanges went so high that the metal in each Lincoln cent was worth almost as much as the coin's face value. Currently, copper prices are much lower than they were during most of 1980.

Under law, the Treasury Department can make the metal change without congressional approval. But officials say they won't start producing copper-coated-zinc cents until after a House subcommittee conducts a special hearing on the proposal.

If the hearings are held soon, Treasury bosses say they could start making the new coins this summer, although most 1981-dated cents would be of the 95-per-cent-copper variety. By 1982, production of the new coins would be in full force.

Some hobby pros fret that after minting of a copper-coated-zinc cent begins, many people will hoard the old pennies, creating a massive coin shortage. Supposedly, the mint would produce huge quantities of the new coin to alleviate any such problem.

A zinc cent would be one of the more important coinage metal changes since the Civil War.



Reverse of Hong Kong gold coin, issued to commemorate Year of the Cockerel.

Every cent minted by the federal government since 1864 has contained 95 per cent copper, except for zinc-coated-steel cents made in 1943. Army generals needed copper that year to produce bullets for World War II.

Mint technicians say the new zinc cents would weigh slightly less than the present Lincoln

cents, but that they would wear as well.

- Again this year, the American Numismatic Association is offering scholarships to persons between the ages of 11 and 17 to attend a one-week coin collecting seminar.

Participants will attend classes on coin grading, detection of counterfeit coins, coin photography, and similar subjects. The seminar begins June 28 in State College, Pa., or July 5 in Colorado Springs; scholarships include air fare, room, board, and tuition.

For an application form, write ANA Governor Florence Schook, P.O. Box 2014, Livonia, Mich. 48154. Deadline for completed applications is April 1.

- Feb. 5 is the first day of the Chinese Year of the Cockerel, and the government of Hong Kong will commemorate the year by issuing a special gold coin with a face value of 1,000 Hong Kong dollars.

The Chinese Lunar Calendar is based on a 12-year cycle, with an animal representing each year. Persons born in the Year of the Cockerel are believed to be meditative, enthusiastic, and brave.

- The British Royal Mint will sell the commemorative gold coin to U.S. collectors starting Feb. 5. For price and ordering information, write the mint at 128 Passaic Av., Fairfield, N.J. 07006. The mint is a department of British government.